William J. Donovan, Brig. Gen.

11 September 1943

John Magruder, Brig. Gen.

Organization for Intelligence.

As you know, I have never ceased to strive for the realization of an intelligence service on the level of the Joint Chiefs of Staff consistent with our national needs and responsibilities.

I shall not waste your time belaboring the point that our present intelligence organization is indefensible. The set-up has been incredibly wasteful in manpower and, except for a few spotty accomplishments, has been a national failure. It has created frustration in Washington and chaos in the field.

Events are marching too fast to permit the planning and organization of an ideal intelligence service. Besides

I realize that such intricate human institutions must develop somewhat through trial and error rather than by hasty construction following even a perfect blueprint.

With these thoughts in mind I am forwarding herewith for your reference three documents with which you are familiar. There are some good ideas in each. They show the development of my thinking as a result of experience during the past year, and the political practicalities against which This document has been

approved for release through the MISTORICAL REVIEW PROGRAM of the Central Intelligence Agency.

Date 6/24/91

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both you and I have bumped our noses. The documents are:

- Tab A -- Proposed Plan for Joint Intelligence Bureau. (A memorandum prepared by me August 25, 1942).
- Tab B -- J.P.W.C. 45/2, November 17, 1942,
 Functions of the Office of Strategic
 Services. (Includes the sequence of
 our fight for a place in the sun and
 the proposed directives we sought at
 that time. We were doing sound thinking
 during the preparation of those proposals).
- Tab C -- Observations on U.S. Intelligence Services. (An informal memorandum which I wrote to Colonel Peck on July 30, 1943).

The ideas expressed in my memorandum of August 25, 1942 (Tab A) are antiquated in spots. The sketch organization chart would require considerable detailed modification.

Nevertheless some ideas contained therein are still worthy of consideration. We cannot now start from scratch. We have to use to advantage what we already have -- and obviously that is where the existing Intelligence Service of the OSS is more nearly ready-made than that of any other agency.

The immediate problem is to frame existing OSS intelligence Branches more effectively into the Joint Chiefs organization as the recognized and authoritative body of the future superior strategic intelligence service. While R & A is the major core, SI and X-2 perform functions nowhere else performed and should unquestionably be incorporated on the same basis as R & A.

To do this requires only a clean-cut directive.

R & A needs the addition of professional military, air, and
naval intelligence staffs, a step we have always suggested.

SI and X-2 should both be given more substantiability in the
way of key military, naval, and air men of high calibre.

I am thinking along these lines: We shall never realize sound results until our OSS intelligence branches are really "taken-in" by the Army and Navy -- that is, until the Joint Chiefs of Staff leave no doubt as to the status of R & A as the agency in which all strategic intelligence heads up, and the acceptance of the importance of our role in espionage and counter-espionage. To obtain the confidence of the Army and Navy, I believe it essential that you concede some coordinating control to the brass hats. In return for your concession to the deadening effect of bureaucratic respectability, the military should accept your inspiring leadership which, in all truth, involves an individualistic approach sometimes confusing to your subordinates -- but, nevertheless, furnishes a fertile soil for the flowering of civilian initiative and vigor.

With respect to intelligence, we should revert generally to the objective we sought in JPWC 50 (included in JPWC 45/2 -- Tab B). This means, in effect, that the important

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intelligence branches of the OSS under your administration are given unquestioned status as the strategic intelligence agencies of the Joint Chiefs but coordinated effectively with all other intelligence agencies through a more authoritative and soundly constituted Joint Intelligence Committee.

This brings us to a consideration of Mr. Warner's report, essential excerpts of which are being brought to you. On the whole, the report recommends steps very close to our own desires. The essential difference is in his omission of SI and X-2 for elevation, so to speak, to a higher level. As I have mentioned previously, these activities should be recognized as being on the strategic level as well as R & A. I feel this strongly.

Another feature wherein Warner differs is with respect to the mixture of expert Army Navy, and Air intelligence officers among the divisions of R & A. I strongly advocate keeping them intact, each in a staff group for many reasons. (see diagram in my Tab A). Each group should retain its own sense of responsibility, otherwise their efforts will be wasted and the chiefs of the groups will not demand the best personnel. I have enlarged on this point with Armour. They are best fitted to work in close cooperation but not mixed with the scholar- experts.

Another point in the report which I question is that the members of the JIC should necessarily be the respective heads of the intelligence services of the Army, Navy and Air. There are advantages both ways but I incline to having them other

than heads of the intelligence services -- completely nonpartisan, if such is possible. This Committee should be full-

time on the job and should exercise broad policy-making and

coordinating authority.

This is an important point. Regardless of how the three intelligence services of the armed forces are organized, their functions should be carefully delimited. There is an indispensable role for each of them. They should be responsible for all the technical, operational and professional information regarding the forces of potential or active enemies as well as principal allied and neutral countries. MIS, ONI, and A-2 should each be prepared to satisfy the professional needs of their respective services but not attempt to cover all combined and strategic needs. They should be prepared to make complete contributions of material within their particular competence to the joint intelligence agency when called upon, but the integration of joint requirements into studies should be done by the joint intelligence service.

In a word, they should be able to deal professionally with subjects Army and Navy officers are trained to know.

They should not employ expert civilians in the economic political, psychological, and other specialized fields. When these are needed for strategic intelligence, as they are vitally, they should be found in the joint strategic agency

we are seeking.

Another point should be clarified. Military and Naval attaches and observers in peace and war should remain where they now are. Of course, their material should be made available to the strategic intelligence agency. Policy affecting the objectives of their activities should be a responsibility of the JIC. All wartime intelligence agencies operating from Washingtom in the theaters (other than combat intelligence agencies) such as JICA should absolutely be joint agencies. The personnel should be members of a joint organization and the JIC should prescribe their functions and coordinate their efforts. The question of OSS relations with JICA (such as its being grouped with "all others") would not arise because both would be agencies of the Joint Chiefs under coordination of the JIC.

In my informal memorandum to Col. Peck (Tab C), I was stating a condition and pointing to a logical first step in remedying the situation. It was written to cast bread upon the waters.

I hope your studies and recommendations in high quarters will result in bringing some degree of realization to a profound national need.

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Please give my warmest regards and congratulations to "Ike" and Bedell Smith.

John Magruder, Brig. Gen.
Deputy Director, OSS -- Intelligence Service

Attachments.

JM:AMc

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Letter from Brig. Gen. John Magruder, Deputy Director, OSS, to Brig. Gen. William J. Donovan, Director OSS, Subject: Organization for Intelligence; 7 pp.				LOCATION: HS/HC-31 D Item 4

ABSTRACT

In this letter Brig. Gen. Magruder points out the flaws such as wasted manpower and incomplete intelligence, of the OSS. Brig. Gen. Magruder suggested that existing OSS intelligence branches be incorporated into the Joint Chiefs intelligence program; that while R&A was the major intelligence core, SI, and X-2 performed necessary functions and should be incorporated on the same basis as R&A.

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